



# INTERNATIONAL EGG AND POULTRY REVIEW

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## EU and Thailand Agree On New Quotas and Tariffs

The European Commission concluded an agreement with Thailand on a new regime for imports of salted poultry meat and cooked chicken meat into the EU. The agreement modifies the current bound tariff rate concessions for these two items and foresees the creation of new tariff rate quotas (TRQs), in conformity with GATT Article XXVIII.

Salted poultry meat previously had a bound tariff rate of 15.4% with no volume restriction. The new concession provides a ceiling of 264,245 MT with a bound tariff rate of 15.4%. Out of quota will be 1,300 euros/ton. The allocation for Thailand will be 92,610 MT

Cooked chicken meat previously had a bound tariff rate of 10.9%. The concession provides for a total tariff rate quota of 250,953 MT with a tariff of 8.0%. Out of quota rate will be 1,024 euro/ton. The allocation for Thailand will be 160,033 MT.

The EC notified the WTO on June 15, 2006 its intention to modify the concessions contained in the EC Schedule for three poultry lines in accordance with GATT Article XXVIII. The Commission conducted negotiations with WTO Members having negotiating rights: Brazil, for salted poultry meat (HSCode 0210.99.39), for turkey meat (HS Code 1602.31) and for cooked chicken meat (HS Code 1602.32.19) and with Thailand for salted poultry meat and cooked chicken meat. Negotiations with Brazil were concluded on October 26, 2006.

As a result of the conclusion of the agreements with Brazil and Thailand, estimates are that EU chicken imports will increase to about 7.5% of EU domestic consumption compared to 6.5% in 2005. Thailand's exports of cooked chicken meat into the EU in 2005 totaled 113,096 tons while exports in 2006 are forecast to reach 120,000 – 125,000 tons. Thai exports of salted poultry meat and raw poultry have been banned due to outbreaks of highly pathogenic avian influenza.

## Thailand's Chicken Meat Exports

Destination	2005 (Jan-Dec)	2005 (Jan-Oct)	2006 (Jan-Oct)
ASIA	161,619	126,592	130,857
Japan	149,079	116,789	120,443
Singapore	5,398	4,014	5,451
Hong Kong	3,493	2,727	2,795
South Korea	3,553	3,062	2,168
Others	96	0	0
EUROPE	113,195	86,654	104,255
The EU	113,096	86,594	104,251
Other Europe	99	60	4
MIDDLE EAST	310	195	0
Kuwait	95	95	0
Dubai	100	0	0
Others	115	100	0
AFRICA	54	18	132
South Africa	54	18	132
OTHERS	1,456	1,218	1,751
Canada	1,415	1,177	1,751
Others	41	41	0
TOTAL	276,634	214,677	236,995

Nearly all exports are cooked chicken meat products. In this table, uncooked chicken meat exports were only 96 tons in 2005 (Jan-Dec), none in 2005 (Jan-Oct) and 1,001 tons to Vietnam in 2006 (Jan-Oct).

Source: European Commission DGTrade Press Release; USDA/FAS; news wires

## November Currency Exchange Rates Currency Units per U.S. Dollar\*

		2006	2005	2004	2003
Brazil	Real	2.1555	2.2109	2.7877	2.9150
Canada	Dollar	1.1359	1.1815	1.1968	1.3130
China, P.R.	Yuan	7.8622	8.0840	8.2765	8.2769
EMU Members	Euro	1.2888	1.1789	1.2997	1.1710
United Kingdom	Pound	1.9125	1.7349	1.8607	1.6897
Japan	Yen	117.3200	118.4500	104.7000	109.1800
Thailand	Baht	36.5010	41.0970	40.2820	39.9350

\* Euro and Pound are U.S. dollars per currency unit

Source: Federal Reserve

## Trinidad and Tobago

Economic growth for Trinidad and Tobago is estimated to increase 12.0% in 2006. Inflation has accompanied the rapid growth and is expected to reach 7.9%. Food prices have increased 26% this year.

As part of the government's effort to reduce inflation, the Government announced plans to remove the 40% surcharge on all poultry products within Caricom. The common external tariff (CET) will remain on countries outside of Caricom. The Government was also considering imports from South America. Guyana and Belize were the most likely sources of poultry within the Caricom region.

In the 2004 Agricultural Census, poultry of all types totaled 5.7 million birds. Broilers accounted for 64.3%, layers 31.6% and ducks 3.0%. Chicken meat production totaled 57,000 MT in 2005, unchanged from 2004.

U.S. exports of poultry meat to Trinidad and Tobago totaled 3,977.3 MT valued at \$3,404,000 in 2005. For the first ten months of 2006, exports totaled 2,941.5 MT valued at \$2,818,000.

Source: World Bank, Food and Agriculture Organization (FAO), U.S. Department of Commerce, news wires

**INSPECTED EGG PRODUCTS-****U.S. & CANADA IMPORT/EXPORT TRADE****U.S. Exports to Canada, in Pounds (000) (Preliminary)**

Week Ending December 09, 2006	Year-To-Date			
TYPE	2006	2005 1/	2006 2/	2005
Liquid	350	309	11,736	17,197
Frozen	0	0	172	59
Dried	0	0	737	847
Total	350	309	12,645	18,103

**U.S. Imports From Canada, in Pounds (000) (Preliminary)**

Week Ending December 09, 2006	Year-To-Date			
TYPE	2006	2005 1/	2006 2/	2005
Liquid	195	81	5,368	6,480
Frozen	0	0	914	668
Dried	0	0	66	371
Total	195	81	6,348	7,519

**Inspected Shell Eggs****U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

Week Ending December 09, 2006	Year-To-Date			
TYPE	2006	2005 1/	2006 2/	2005
Jumbo	0	0	150	184
Extra Large	2,370	1,190	87,681	191,964
Large	5,550	6,110	170,365	342,100
Medium	1,440	1,252	85,336	111,975
Ungraded	8,040	3,750	248,238	232,624
Misc	0	0	6,975	9,753
Total	17,400	12,302	598,745	888,600

1/ Comparable Week, to-date figures may not total due to rounding.

2/ Includes revisions to previous week(s).

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

Source: USDA/AMS Poultry Programs, Market News &amp; Analysis Branch.

**CENTRAL REGION MECHANICALLY SEPARATED CHICKEN**

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

**CHICKEN WITH SKIN ADDED**

December 15, 2006				
---- PRICES ----			---- VOLUME ----	
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	18.00	-	216,000	216,000
WTD AVERAGE	18.00			
15-20%				
RANGE	14.00-15.75	11.00-16.00	1,093,200	216,000
WTD AVERAGE	14.88	12.53		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

\* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

**U.S./CANADIAN LIVE POULTRY SLAUGHTERED UNDER INSPECTION**

W/E 09-Dec-06 (PRELIMINARY)

**U.S. Fowl Slaughtered Domestically**

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,157	1,529	2,686
Last Week	800	1,562	2,362
Same week yr ago	1,270	1,483	2,753
To-date/2006	52,408	72,909	125,317
To-date/2005	69,632	69,358	138,990

**U.S. Fowl Slaughtered in Canada**

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	231	0	231
Last Week	249	0	249
Same week yr ago	109	0	109
To-date/2006	7,533	50	7,583
To-date/2005	12,198	63	12,261

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

**Total U.S. Fowl slaughtered in the U.S. and Canada**

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,388	1,529	2,917
Last Week	1,049	1,562	2,611
Same week yr ago	1,379	1,483	2,862
To-date/2006	59,941	72,959	132,900
To-date/2005	81,830	69,421	151,251

Source: USDA/AMS Poultry Programs, Market News &amp; Analysis Branch

**EASTERN REGION MECHANICALLY SEPARATED CHICKEN**

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

**CHICKEN WITH SKIN ADDED**

December 15, 2006				
---- PRICES ----			---- VOLUME ----	
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	16.00-17.00	402,000	-
WTD AVERAGE		16.65		
15-20%				
RANGE	15.00-21.00	12.00-16.50	2,156,000	1,276,000
WTD AVERAGE	16.73	14.00		
20% OR MORE				
RANGE	-	14.00	160,000	-
WTD AVERAGE		14.00		

\* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

**NATIONAL YOUNG TURKEY PARTS** INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 15 DECEMBER 2006.

The market tone on fresh tom breast meat was steady to barely steady, balance of white meat steady to instances weak. Demand on fresh tom breast meat mostly moderate and slowed as the week progressed. Demand on the balance of white meat seasonally light. Offerings of fresh tom breast meat light to fully adequate, mostly adequate. Offerings of frozen tom breast meat light with some starting to accumulate inventories for summer needs. Offerings on the balance of white meat light to ample and held with varied degrees of confidence. Firm priced trading slow to moderate. Open priced fresh tom drum trading moderate for January, 2007 export shipments. For domestic: frozen -20% MST -90 days age 10 shipping point for pet foods; tails 30; fresh scapula 81; Grade A non-basted rib breasts - 8-10 lb. 130, 10-12 lb. 175, 12-16 lb. 190, fresh young hen breast meat 185 cent delivered. For export: fresh tom drums 38, tom defatted gizzards 75 cents delivered early February, 2007.

<b><u>EXPORT TRADING</u></b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>	<b>WEEKLY</b>	<b>WEEKLY</b>
<b>FRIDAY, DECEMBER 15, 2006</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>	<b>WTD AVG</b>	<b>VOLUME</b>
DRUMSTICKS, TOMS	39.00		39.00	156	38.52	1052
WINGS FULL-CUT - TOMS		W	32.00	40	32.00	40
WINGS, V-TYPE, TOM		T	49.25	416	49.25	416
TAILS		F	27.50	20		
MECHANICALLY SEPARATED 2/		W	18.00	104	18.00	104
THIGH MEAT - FROZEN		R	93.73	440	93.80	600

<b><u>EXPORT TRADING</u></b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>THURSDAY, DECEMBER 14, 2006</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS	37.50-40.00		38.16	696
WINGS FULL-CUT - TOMS		W	32.00	40
WINGS, V-TYPE, TOM		T	49.25	416
TAILS		F	27.50	20
MECHANICALLY SEPARATED 2/		W	18.00	104
THIGH MEAT - FROZEN	93.00-94.00		93.73	440

<b><u>EXPORT TRADING</u></b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>WEDNESDAY, DECEMBER 13, 2006</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS	40.00		40.00	40
WINGS FULL-CUT - TOMS	32.00		32.00	40
WINGS, V-TYPE, TOM		T	49.25	416
TAILS		F	27.50	20
MECHANICALLY SEPARATED 2/	18.00		18.00	104
THIGH MEAT - FROZEN		T	94.00	160

<b><u>EXPORT TRADING</u></b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>TUESDAY, DECEMBER 12, 2006</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS	38.00-39.00		38.50	80
WINGS FULL-CUT - TOMS		R	32.00	40
WINGS, V-TYPE, TOM	49.00-50.00		49.25	416
TAILS		F	27.50	20
MECHANICALLY SEPARATED 2/		F	16.25	160
THIGH MEAT - FROZEN	93.00-95.00		94.00	160

<b><u>EXPORT TRADING</u></b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>MONDAY, DECEMBER 11, 2006</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS	40.00		40.00	80
WINGS FULL-CUT - TOMS		R	32.00	40
WINGS, V-TYPE, TOM		M	50.00	104
TAILS		F	27.50	20
MECHANICALLY SEPARATED 2/		F	16.25	160
THIGH MEAT - FROZEN		F	94.33	120

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15-20% fat with skin added.